Illinois Department of Revenue

INFORMATIONAL BULLETIN

June 1989

+ ENTERPRISE ZONE ACT SALES TAX EXEMPTION

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|TO:|BUILDING-MATERIALS providing a sales tax +---+RETAILERS LOCATED WITHIN BUREAU AND PUTNAM COUNTIES

If your business does not sell building materials, please disregard this bulletin.

ENTERPRISE ZONE EXPANDED

The Illinois Department of Commerce and Community Affairs has expanded the Bureau/Putnam County Enterprise Zone to include certain portions of the Village of Hennepin, effective April 1, 1989. Previously, the Bureau/Putnam County Enterprise Zone included certain contiguous areas located in the City of Spring Valley, Ladd, and Princeton, as well as the contiguous areas located in the unincorporated Bureau and Putnam counties.

The local taxing jurisdiction has adopted an ordinance

exemption of state, local, and county supplementary taxes on certain sales of building materials which will be incorporated into real estate in the zone.

To Qualify for an Exemption

For the sale to qualify for and enterprise zone exemption, you must:

- 1. Be located within the cities of Spring Valley, Ladd, Princeton, and the Village of Hennepin, or the unincorporated areas of Bureau and Putnam counties.
- 2. Make a sale of building materials which will be incorporated into real estate in the zone by means of remodeling, rehabilitation, or new construction.

Note: The building improvement must be of the nature and scope for which a building permit is

required by the building code. To verify the exemption, the purchaser must provide you with a copy of the building permit and a signed statement indicating the address in the enterprise zone at which the building materials will be incorporated. See reverse side for an example of a Purchaser's Statement.

To Claim an Exemption

To claim an enterprise zone exemption you must:

- 1. Report gross receipts from these sales on line 1 of your sales tax return (Form RR-1-A).
- 2. Deduct the receipts on line 13 and 14 and identify the deduction as "Enterprise Zone Sales."

If you have questions or need more information, please contact us. Our address and telephone numbers are provided at the bottom of this bulletin.

CALL: 1 800 732-8866 or FOR 1 217 782-3336 INFORMATION

WRITE: Illinois Department of Revenue
